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If you have questions or comments on any information contained in *The Connection*, please contact Angela Knight at (360) 664-7654 or angela.knight@ofm.wa.gov.

SAAM Updates



We made several updates to Washington's *State Administrative and Accounting Manual* (SAAM) in August and September.

August 19, 2005 Technical Correction

We increased the maximum amount payable to deceased employees (Subsection 25.70.30) from \$10,000 to \$10,500 as provided by RCW 49.48.120.

September 15, 2005 Technical Correction

We adopted the mileage reimbursement rate for privately owned vehicles set by the United States Treasury Department (Section 10.90). The new rate of \$.485 per mile was effective September 15, 2005.

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Are You a Holder of Unclaimed Property?

As a state agency, you may be the holder of unclaimed property that should be remitted to the Washington State Department of Revenue (DOR).

Chapter 63.29 RCW (the Unclaimed Property Act) requires state agencies to report and remit to DOR payroll payments that remain unclaimed one year after issuance, and all other payments that remain unclaimed two years after issuance.

Payments that are unclaimed because they are deemed non-deliverable, or are not presented for payment within 180 days from the date of issue, should be canceled and recorded in General Ledger code 5194 "Liability for Canceled Warrants/Checks." Agencies should periodically review GL 5194 detail to determine if they have canceled warrants or checks that require remittance to DOR.

To find out how and when to report your unclaimed property electronically, go to <http://ucp.dor.wa.gov> and select the 'report it' link, then scroll down to 'How do I file My Report' and select the link under 'NAUPA standard file format.' This link takes you to the ACS Wager's Unclaimed Property Systems website that offers *free* software, HRS Pro, to download. For assistance, please contact the Unclaimed Property Division at (360) 570-3264.





Sadie Rodriguez-Hawkins

Congratulations!

OFM Statewide Accounting,
Statewide Financial Systems
and State Financial
Management Personnel.

Thank you for your dedication and tireless efforts in producing the state of Washington's Fiscal Year 2004 Comprehensive Annual Financial Report (CAFR). Your efforts have once again, resulted in the state's receiving another *Certificate of Achievement* from the Government Finance Officers Association.

"Your continued pursuit of excellence in financial reporting makes Washington proud."

Thanks for your hard work!

Comments from the Assistant Director

"Being powerful is like being a lady, if you have to tell people you are – you aren't. That is the way it is with being a skillful leader."

— Margaret Thatcher

Self-Awareness...The first step in personal and professional development.

Recently I was asked to present on the topic, "Growing into Leadership...How Do I Get There?" The conversation naturally led to the importance of self-awareness – the first step in personal and professional development.

In technology, we are often asked the question, "Why do projects fail?" That question can be answered in a variety of ways. Most recently, we have learned one reason projects fail is because "*people do not understand their business.*"

Failure to *understand our business* not only hurts organizations, it can hurt you as an individual and may impact your quest for upward progression. Therefore, I encourage you to begin your quest for upward mobility by taking stock of yourself and knowing what is important to you and why.

You can begin by taking stock of your convictions – *standing in your own truth*. This requires that you know yourself, your skill sets, and the beliefs you bring to an organization. You need to clarify for yourself what you believe in and then ask how those beliefs are playing out in the workplace.

Knowing yourself can begin with three simple questions: Where am I? Where do I want to go? What sacrifices are required? Don't kid yourself. Everything has a price and you have to determine whether you want, or can afford, to pay it.

When identifying your skill sets, speak to both your strengths and your weaknesses. It is only when you understand your limitations that you begin to see that you cannot be all things to all people. This can be liberating and provides others with the opportunity to exercise their talents and demonstrate their greatest potential.

Do you know what your values, beliefs and ethics are and how you demonstrate them? Do you know how they fit into the organization in which you work? Do you know how they are the same and how they are different? If you don't know what you stand for, you might find yourself compromised, or at the very least appear "wishy-washy" and leave others wondering where you *really* stand on an issue.

To lead others, leaders must first know themselves – we must listen, reflect, and use our power effectively.

"A leader is a person who has more faith in people than they do in themselves and who courageously and patiently holds the opportunity open long enough for self-confidence to re-emerge."

— Margaret Wheatley

The Final Stage of the Chart of Accounts Project

During August and September, the Chart of Accounts (COA) core team met weekly to review the results of the on-line survey and stakeholder interviews.

The COA project will conclude with an analysis document that details the key issues identified during the project and alternatives for resolving those issues. We anticipate distributing the report to the virtual project team for feedback in mid to late October.

We will incorporate the responses from the virtual team in the final report, which will be shared with OFM management, as well as the COA core team.

You can learn more about the project and review the results of the survey and interviews on the COA project at <http://www.ofm.wa.gov/coa/default.htm>.

If you have other questions, please contact Scott Kibler at scott.kibler@ofm.wa.gov / (360) 664-7674.

AFRS Payments and OFAC Compliance

The Office of Foreign Assets Control (OFAC) of the U.S. Department of the Treasury administers and enforces economic and trade sanctions against targeted foreign countries, terrorism sponsoring organizations and international narcotics traffickers based on U.S. foreign policy and national security goals.

OFAC acts under Presidential wartime and national emergency powers, as well as authority granted by specific legislation, to impose controls on transactions and freeze foreign assets under U.S. jurisdiction. Read more information on OFAC at <http://www.ustreas.gov/offices/eotffc/ofac/index.html>.

The Office of Financial Management (OFM) has developed new edits to enable Washington State agencies that pay vendors through the Agency Financial Reporting System (AFRS) to comply with OFAC requirements to identify and block payments to payees named in the OFAC list of Specially Designated Nationals (SDN) and Blocked Persons. **This new Vendor Blocking feature in AFRS will move into production by mid-October;** it was originally scheduled for January 1, 2005.

Vendor Blocking will cross-check all AFRS vendors on a daily basis in both Agency and Statewide Vendor files, against names on the SDN and Blocked Persons list. Any vendor names found on the SDN list will be blocked from receiving AFRS payments.

Registered users within agencies will be able to reset a vendor's blocked status in their Agency Vendor file once they have determined that a vendor in question is not a blocked individual. OFM will perform the same function in the Statewide Vendor file.

When a blocked vendor has been cleared on either file, they will not be reset the next time the checking routine is executed. Please access the [statewide memo](#) from Sadie Rodriguez-Hawkins, dated August 25, 2004, for more details on this new process.

If you have any questions about this procedure please contact the AFRS Help Desk at (360) 664-7725.



Upcoming Video Conferences

GAAP Video Conference

Again this year, the Financial Management Advisory Council (FMAC) will host the Governmental GAAP Update Satellite Videoconference presented by the Government Finance Officers Association (GFOA). The conference speaker will be Stephen Gauthier, Director of the GFOA Technical Services Center.

The topics to be covered during the conference are:

- New guidance on enterprise risk management from the Council of Sponsoring Organizations (COSO).
- Proposed GASB guidance on pollution remediation.
- Common financial reporting deficiencies.
- Final GASB concepts statement on *Communication Methods*.

Conference Date/Location

Thursday, November 10, 2005
10:00 am - 2:00 pm PST
Brouillet Conference Room (OSPI)
600 S. Washington St., Olympia, WA

GFOA charges an attendance fee. You can register online at GFOA's website <http://www.gfoa.org/services/training.shtml>. FMAC's site code is WA04.

Audio Conferences

FMAC is also co-hosting the following audio conferences with the Olympia Chapter of the Association of Governmental Accountants (AGA) and the State Auditor's Office:

December 7, 2005

Identity Theft – What is being done to prevent it?

March 1, 2006

Implications of the Sarbanes-Oxley for the Future of the Auditing Profession

Time/Location

11:00 am - 12:50 pm PST
DSHS Office Building 2 (OB2) Auditorium
1115 Washington St. SE, Olympia, WA
A map to OB2 is available online at:
<http://techmall.dis.wa.gov/images/maps/visio-ob2.pdf>.

There is no charge for these audio conferences and each will offer 2 hours of CPE. For more information, please contact Jayda Williams at jayda.williams@ofm.wa.gov.

Perspectives on Internal Controls: Risk Assessments

Every agency faces a variety of risks from external and internal sources, and these risks evolve and change over time. Risk assessment involves the identification and analysis of risks that threaten an agency's ability to accomplish its objectives. Agency objectives fall into three categories: efficient and effective operations, reliable financial reporting, and compliance with applicable laws and regulations.



Risk assessment requires a basic understanding of how an agency functions – its operations, its organizational structure, and its funding. An agency needs to identify transaction cycles, like purchasing, disbursement, receipting, payroll, general accounting, and program management. Once an agency knows what it does, it can identify where it is exposed to risks that threaten its ability to accomplish its objective.

Risk identification and analysis provides a basis for deciding how to manage those risks. Once risks are identified, management must consider their significance, the likelihood of their occurrence, and how they should be managed. Management may initiate plans, programs, or other control activities to address specific risks or it may decide to accept a risk because of cost or other considerations.

For more information on the subject of internal controls, please refer to the *State Administrative and Accounting Manual* (SAAM) Chapter 20 <http://www.ofm.wa.gov/policy/20.htm>, and the Administrative and Accounting Resource site at <http://www.ofm.wa.gov/policy/resource.htm> or contact Pat Sanborn at patricia.sanborn@ofm.wa.gov / (360) 664-7680.

Who's New In Accounting?



Bret Brodersen joined Statewide Accounting as a State Financial Consultant on August 10, 2005. Bret provides general consulting to an assigned set of agencies, participates in the preparation of the CAFR, and will also assume responsibility for the state's travel policy, SAAM Chapter 10. He is a graduate of Central Washington University and has spent the last six years working for the Department of Revenue.

Bret and his wife, Kristy, have two cats and are currently settling into their new home. Their project this summer is landscaping. Bret can be reached at bret.brodersen@ofm.wa.gov / (360) 664-7677.



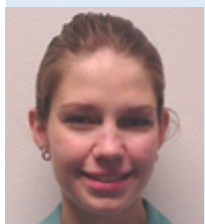
Colleen Desselle joined Small Agency Client Services as an Administrative Assistant on October 3, 2005. She transferred from the Department of Fish and Wildlife, where she spent 21+ years working in the secretarial arena, word processing, and as a Publications Specialist for the Fish Program.

Colleen and her husband, Steve, have three adult daughters and one two-year-old grandson, Thian. The family currently resides in one household; they enjoy playing board games and cards, and visiting Northwest Trek and the Seattle Aquarium. Colleen also enjoys traveling, attending live theater, reading, sewing, and scrap booking. She is also a member of an Olympia Chapter of the Red Hat Society. Colleen can be reached at colleen.desselle@ofm.wa.gov / (360) 664-7734.



Linda Groulx joined the QA/Testing team on June 29, 2005, as a Software Test Analyst. She is assigned to the BASS team and is currently located in the IBM Building. Linda came to us from a long career as a consultant in all aspects of quality assurance and testing with both state agency and private industry experience.

When she isn't working she enjoys participating in the local community theater as an actor, makeup artist, costumer and member of the board. She is also an avid gardener. Linda can be reached at linda.groulx@ofm.wa.gov / (360) 725-5518.



Emily Johnson joined the Accounting Division on September 19, 2005, as the Receptionist at our Point Plaza West location. She earned a degree in Business Administration from the University of Hawaii at Manoa in August 2004. Most recently, she worked for the international commercial real estate firm, Grubb and Ellis, in Seattle.

In her spare time, Emily enjoys learning the guitar, reading, cooking, dining out, and traveling. She can be reached at emily.johnson@ofm.wa.gov / (360) 664-7763.



Christi Johnson joined the QA/Testing team on July 6, 2005, as a Software Test Analyst for the BASS project team. She joined us after a five-year career with the Department of Corrections as a Web Developer, Systems Analyst and Test Analyst on the OMNI project. She is located in the IBM Building.

When not working, Christi enjoys music, dancing, hiking and fun with friends. She can be reached at christi.johnson@ofm.wa.gov / (360) 725-5519.



Tracy Quinn joined the QA/Testing team on August 22, 2005, as a Software Test Analyst. Tracy works on the Travel Voucher System, Accounts Receivable and other web-based accounting systems. Previously, she worked for the Employment Security Department for five years.

When not working, Tracy enjoys spending time with her husband and friends, and playing softball and volleyball. Tracy can be reached at tracy.quinn@ofm.wa.gov / (360) 664-7720.

Who's Moved In Accounting?

Several of the Statewide Financial Systems (SWFS) product managers expressed a desire for opportunities to learn and develop additional skills in new product areas. These assignment changes broaden the knowledge of our product managers in serving different products and make us a stronger and deeper organization.



Larry Johnson moved from being a product manager and instructor on the Enterprise Reporting team to lead product manager for the Travel Voucher System (TVS). In addition to providing on-going support for TVS, one of Larry's initial responsibilities is to work on the new Travel & Expense Management System (TEMS) project.

TEMS is in the Feasibility Phase. Larry is working to identify and prioritize the TEMS requirements, which expand TVS into areas of pre-authorization and other expense management, and to ensure TEMS aligns with the enterprise objectives from the *Roadmap* project. Contact Larry to find out more about the project at larry.johnson@ofm.wa.gov / (360) 664-7778.



Trinh Bui joined the Enterprise Reporting team as the product manager. Trinh will now be the new contact for AFRS Data Distribution System (ADDS) customer agencies. She will also provide accounting and consulting support for FASTRACK and Enterprise Reporting as a whole.

Trinh most recently worked as a product manager supporting the Accounts Receivable (AR) System. Her knowledge and experience in accounting and customer support will be a great addition to the team. Trinh will continue to support the AR System until a new product manager is hired. Trinh can be reached at trinh.bui@ofm.wa.gov / (360) 664-7684.



The former TVS product manager, **Owen Barbeau**, moved to the AFRS team. Owen's current assignment on the AFRS team is working with DSHS on the Washington Medicaid Management Information System (MMIS), which is scheduled for implementation in 2007. Owen's customer service ethic and his willingness to go the extra mile is a great addition to the team.

Owen joined OFM in early 2000 as the TVS product manager when the system was under development. Owen can be reached at owen.barbeau@ofm.wa.gov / 664-7766.

Excellence in Financial Reporting for 18 Consecutive Years!



We are delighted to announce that the Fiscal Year 2004 Comprehensive Annual Financial Report (CAFR) was awarded the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting. The state's CAFR has received this prestigious award for 18 consecutive years.

During those 18 years, the CAFR has changed as new accounting standards have been implemented. We want to thank the Offices of the State Treasurer, the State Actuary, the State Auditor; the State Investment Board, Department of Retirement Systems and all state fiscal personnel for their hard work and dedication to this effort. The GFOA Certificate acknowledges the quality work each of you do to keep the CAFR up-to-date, informative, and accurate.

To view the Fiscal Year 2004 CAFR, please visit our website at <http://www.ofm.wa.gov/accounting/financial.htm>.

BASS Activities in 2005-07

The Budget and Allotment Support System (BASS) Team is preparing for the Human Resource Management System (HRMS) implementation and replacement of the Allotment Preparation System (APS) and The Allotment Preparation System (TAPS).

The following timeline and descriptions are provided to give you an idea of what to expect in the future. It's important to note that in software development projects, the extent *of what* can be accomplished, *by when* becomes more evident as plans develop and implementation gets closer. We will continue to keep you informed, as we understand more about the outlying projects.

						HRMS Group 0			HRMS Group 1			HRMS Group 2											
Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07
1 Yr Sup	CIM Data	Short Session		2007-09 Budget Development				2nd Yr Sup			Long Session		Allotment Development										
SPS Release 1.5a	SPS Release 1.5b					BASS Maintenance Release						?? SPS Release 1.7						TALS Allotment Management		?? Release 2.0 Option 1			

SPS Release 1.5a - 10/3/2005

This release of the Salary Projection System (SPS) will provide functionality to prepare and submit data to the Compensation Impact Model (CIM) used by the OFM Labor Relations Office and OFM Budget Division for labor negotiations. This will replace the CIM-Agency Interface that was used for the last round of labor negotiations.

SPS Release 1.5b - 11/1/2005

This release of SPS will provide additional functionality to assist agencies with data preparation for release to CIM. The additional features will include access to SPS for agencies outside the state firewall and a Bulk Update to allow updating a group of filtered positions in one process. This release will also address additional data needs for the Washington State Patrol bargaining process.

BASS Maintenance Release - March/April 2006

BASS is currently reviewing all known issues and desired enhancements of existing systems. We are also working with the OFM Budget Division to identify any potential changes in the budget processes that our systems might need to accommodate. The extent of what we can and will address will be determined in the near future.

?? SPS Release 1.7 - July/August 2006

We are currently determining if we will be able to convert HRMS data into a format that SPS can read without requiring significant changes to SPS. If this is a feasible approach, BASS will target having SPS ready to read HRMS data by the time all agencies are on-line with HRMS in July 2006.

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BASS Activities . . .

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?? SPS Release 2.0

Option 1 – 2007

If SPS Release 1.7 becomes a feasible option, BASS will have more time to develop an SPS solution to integrate data and HRMS processes for salary projections.

Option 2 – 2006

In the event that SPS Release 1.7 is not feasible, BASS will need to do some work in order to provide new data loads from the HRMS system. The extent of work we would be able to accomplish in this time will not be known until planning has begun.

TALS Allotment Management - April 2007

TALS Allotment Management will provide agency users a new system for developing and submitting allotments. This system will replace APS and TAPS as well as the system that the OFM Budget Division uses to review and approve allotments. The goal of TALS Allotment Management is to provide more tools for developing and verifying allotments and to integrate better with systems that use allotment data.

SAAM Updates . . .

continued from front page

October 1, 2005 Directive 05A-04

Key updates effective October 1, 2005, include:

- **Chapter 10 Travel** - We adopted the per diem rates for travelers as set by the General Services Administration (GSA). Several meal and lodging rates were changed, including an increase in the non-high cost meal allowance from \$31 to \$39. To view the most current per diem rates, please use the internet links in the travel policy or go directly to the [GSA website](#).
- **Chapter 25 Payroll** - We updated all sections to reference new Civil Service rules (WAC Chapter 357) and Collective Bargaining Agreements (CBA). References to Merit System rules (WAC Chapters 251 and 356) were removed. Additionally, we included gift certificates on the list of taxable fringe benefits, as well as links to the IRS and the IRS Taxable Fringe Benefits Guide; added verbiage addressing performance pay, relocation payments, and recognition leave; clarified language related to requirements for reporting time loss payments to the Department of Retirement Systems; clarified voluntary deduction verbiage; and added language to clarify overpayment recoveries.
- **Chapter 50 Federal Compliance** - We updated Section 50.50 Compliance with the Americans with Disabilities Act (ADA) to emphasize the requirement that state agencies must give first priority to state-owned or state-leased barrier-free facilities in place of renting or leasing other facilities. Additionally, we provided links to Department of General Administration's database of state-owned and state-leased barrier-free facilities, the Governor's Committee on Disability Issues and Employment (GCDE) Checklist, and the Americans with Disabilities Act (Public Law 101-336).

We also made other changes for clarification purposes.

Details related to SAAM changes are noted in the directive that accompanied the policy updates and technical correction memos. The technical correction memos, Directive 05A-04, and the entire text of SAAM are available on our web site at <http://www.ofm.wa.gov/accounting/policies.htm>.

Questions regarding all other manual content and proper interpretation should be directed to the OFM Accounting Consultant assigned to your agency.